St John's Care

ABN: 40 172 941 355

Financial Statements

For the Year Ended 30 June 2019

St John's Care

ABN: 40 172 941 355

Contents

For the Year Ended 30 June 2019

St John's Care

ABN: 40 172 941 355

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2019

	Note	2019 $	2018 $
Revenue and other income	5	**513,456**	606,994
Admin officer salary and expense		**(42,127)**	(30,448)
Community services		**(46,954)**	(55,049)
Community worker direct costs		**(43,732)**	(44,954)
Depreciation		**(5,244)**	(14,495)
Director salary and expenses		**(103,157)**	(118,481)
Finance and administrative expenses		**(44,021)**	(38,565)
Operation manager direct costs		**(86,516)**	(53,178)
YCC salary and expenses		**(92,364)**	(155,311)
YCC canberra expenses		**(24,879)**	(68,798)
Profit before income tax		**24,462**	27,715
Income tax expense	3(a)	**-**	-
Profit for the year		**24,462**	27,715
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**24,462**	27,715

The accompanying notes form part of these financial statements.

St John's Care

ABN: 40 172 941 355

Statement of Financial Position

As At 30 June 2019

	Note	2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**153,644**	121,993
Trade and other receivables	7	**7,920**	12,392
Other financial assets	8	**455,000**	455,000
Other assets	9	**7,016**	-
TOTAL CURRENT ASSETS		**623,580**	589,385
NON-CURRENT ASSETS			
Plant and equipment	10	**22,889**	9,532
TOTAL NON-CURRENT ASSETS		**22,889**	9,532
TOTAL ASSETS		**646,469**	598,917
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**44,825**	21,735
TOTAL CURRENT LIABILITIES		**44,825**	21,735
TOTAL LIABILITIES		**44,825**	21,735
NET ASSETS		**601,644**	577,182
EQUITY			
Retained earnings		**601,644**	577,182
TOTAL EQUITY		**601,644**	577,182

The accompanying notes form part of these financial statements.

St John's Care

ABN: 40 172 941 355

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Retained Earnings	Total
	$	$
Balance at 1 July 2018	**577,182**	**577,182**
Profit for the year	**24,462**	**24,462**
Balance at 30 June 2019	**601,644**	**601,644**

2018

	Retained Earnings	Total
	$	$
Balance at 1 July 2017	549,467	549,467
Profit for the year	27,715	27,715
Balance at 30 June 2018	577,182	577,182

The accompanying notes form part of these financial statements.

St John's Care

ABN: 40 172 941 355

Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from activities		**504,602**	593,568
Payments to suppliers		**(468,952)**	(616,356)
Interest received		**14,602**	14,633
Net cash provided by/(used in) operating activities	14	**50,252**	(8,155)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of equipment		**(18,601)**	(5,265)
Payment for investments		**-**	25,000
Net cash (used in)/ provided by investing activities		**(18,601)**	19,735
Net increase in cash and cash equivalents held		**31,651**	11,580
Cash and cash equivalents at beginning of year		**121,993**	110,413
Cash and cash equivalents at end of financial year	6	**153,644**	121,993

The accompanying notes form part of these financial statements.

The financial report covers St John's Care as an individual entity. St John's Care is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of St John's Care is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Management committee the Associaiton is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

The Associaiton has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 July 2018.

The key changes to the Associaiton's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Associaiton has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 July 2018.

Classification of financial assets

The financial assets of the Associaiton have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9
Classification of financial assets and financial liabilities

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at the date of initial application.

	Note	Classification under AASB 139	Classification under AASB 9	Carrying amount under AASB 139	Carrying amount under AASB 9
				$	$
Financial assets					
Trade and other receivables	7	Loans and receivables	Amortised cost	5,378	5,378
Cash and cash equivalents	6	Loans and receivables	Amortised cost	121,993	121,993
Term deposits	8	Held to maturity	Amortised cost	455,000	455,000
Total financial assets				582,371	582,371
Financial liabilities					
Trade payables	11	Other financial liabilities	Other financial liabilities	13,141	13,141
Total financial liabilities				13,141	13,141

3 Summary of Significant Accounting Policies

(a) Income Tax

The Associaiton is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Associaiton and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Associaiton obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Associaiton incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Grant revenue

St John's Care receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Other income

Other income is recognised on an accruals basis when the Associaiton is entitled to it.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Plant and equipment is depreciated on a reducing balance basis over the assets useful life to the Associaiton, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Rate
Furniture and fittings	20% - 33.33%
Motor Vehicle	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

3 Summary of Significant Accounting Policies

(e) Financial instruments

Initial recognition and measurement

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Associaiton becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Associaiton's trade and other receivables fall into this category of financial instruments.

In some circumstances, the Associaiton renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Associaiton does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Associaiton's management to hold them until maturity.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Associaiton's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of the reporting period the Associaiton assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance account, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Initial recognition and measurement

For current year

Financial instruments are recognised initially on the date that the Associaiton becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Associaiton classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Associaiton changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Associaiton's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Associaiton has no investments in listed or unlisted entiities.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

The Associaiton does not hold any assets that falls into the category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Associaiton considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Associaiton's historical experience and informed credit assessment and including forward looking information.

The Associaiton uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Associaiton uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Associaiton in full, without recourse to the Associaiton to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Associaiton in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Associaiton measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Associaiton comprise trade payables.

3 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Associaiton has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Associaiton where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 16:Leases	1 July 2019	AASB16 replaces AASB 117 Leases and some lease related Interpretations. It requires all leases to be accounted for 'on balance sheet' by lessees, other than short term and low value asset leases. It provides new guidance on the application of the definition of lease and on sale and lease back accounting. It largely retains the existing lessor accounting requirements in AASB 117. It requires new and different disclosures about leases.	The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the likely impact on the first time adoption of the Standard for the year ending 30 June 2020 is immaterial.

3 Summary of Significant Accounting Policies

(g) New Accounting Standards and Interpretations

Standard Name	Effective date for entity	Requirements	Impact
AASB 1058: Income for Not For Profit Entities	1 July 2019	Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment). Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as: revenue, or a contract liability arising from a contract with a customer, a lease liability, a financial instrument, or a provision	The entity is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the likely impact on the first time adoption of the Standard for the year ending 30 June 2020 includes grants, donations.
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not for Profit Entities.	1 July 2019	AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not for profit (NFP) entities into AASB 9 Financial Instruments (2014) and AASB 15 Revenue from Contracts with Customers. This guidance will assist not for profit entities in applying those Standards. NFP entities will generally apply AASB 15 where an agreement creates enforceable rights and obligations and includes sufficiently specific promises to transfer goods or services to the customer or third party beneficiaries.	The entity is yet to undertake a detailed assessment of the impact of AASB 2016 8. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact

Notes to the Financial Statements
For the Year Ended 30 June 2019

4 Critical Accounting Estimates and Judgments

The Management committee make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5 Revenue and Other income

	2019 $	2018 $
Income		
Activities	**445**	1,373
Donations - Untied	**246,428**	235,213
Donations - Tied	**18,987**	21,323
Grants	**161,575**	280,576
Interest income	**21,618**	14,633
Leasing	**8,386**	9,000
License fee	**3,075**	3,000
Management fee	**38,088**	40,875
Other income	**14,854**	1,001
	513,456	606,994

6 Cash and Cash Equivalents

	2019 $	2018 $
Cash and cash equivalents	**153,644**	121,993
	153,644	121,993

7 Trade and Other Receivables

	2019 $	2018 $
CURRENT		
Trade receivables	**272**	5,378
GST receivable	**7,648**	7,014
	7,920	12,392

St John's Care

ABN: 40 172 941 355

Notes to the Financial Statements
For the Year Ended 30 June 2019

8 Other Financial Assets

	2019	2018
	$	$
Term deposits	455,000	455,000
	455,000	455,000

9 Other Assets

	2019	2018
	$	$
CURRENT		
Accrued income	7,016	-
	7,016	-

10 Plant and equipment

	2019	2018
	$	$
Furniture, fixtures and fittings		
At cost	64,231	45,630
Accumulated depreciation	(45,136)	(41,157)
Total furniture, fixtures and fittings	19,095	4,473
Motor vehicles		
At cost	15,977	15,977
Accumulated depreciation	(12,183)	(10,918)
Total motor vehicles	3,794	5,059
	22,889	9,532

11 Trade and Other Payables

	2019	2018
	$	$
CURRENT		
Trade and other payables	1,830	13,141
GST payable	11,230	8,594
Accrued expense	31,765	-
	44,825	21,735

Notes to the Financial Statements

For the Year Ended 30 June 2019

12 Auditors' Remuneration

	2019	2018
	$	$
Remuneration of the auditor of the association, Hardwickes Chartered Accountants, for:		
- Auditing or reviewing the financial statements	**2,500**	2,200
	2,500	2,200

13 Contingencies

In the opinion of the Management committee, the Associaiton did not have any contingencies at 30 June 2019 (30 June 2018:None).

14 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2019	2018
	$	$
Profit for the year	**24,462**	27,715
Non-cash flows in profit:		
- depreciation	**5,244**	14,495
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**4,472**	(14,124)
- (increase) in accrued income	**(7,016)**	-
- increase in income in advance	**-**	6,733
- increase/(decrease) in trade and other payables	**23,090**	(42,974)
Cashflows from operations	**50,252**	(8,155)

15 Statutory Information

The registered office and principal place of business of the company is:

St John's Care
GPO BOX 219, Canberra City, ACT 2601.

St John's Care

ABN: 40 172 941 355

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012.*

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013.*

Responsible person .... Responsible person ....

Dated 19 November 2019

6 Phipps Close Deakin ACT 2600
PO Box 322 Curtin ACT 2605

T 02 6282 5999
F 02 6282 5933
E info@hardwickes.com.au

www.hardwickes.com.au

Hardwickes
ABN 35 973 938 183

Hardwickes Partners Pty Ltd
ABN 21 008 401 536

Independent Audit Report to the members of St John's Care

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of St John's Care, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial report of St John's Care is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the association's financial position as at 30 June 2019 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Basis for Qualified Opinion

As is common for entities of this type, it is not practicable for St John's Care to maintain an effective system of internal control over revenue until their initial entry in the accounting records. Accordingly, our audit in relation to these revenues was limited to amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the associaiton in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the associaiton's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Responsible persons for the Financial Report

The responsible persons of the associaiton are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible persons' responsibility also includes such internal control as the responsible persons determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible persons are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible persons either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

6 Phipps Close Deakin ACT 2600
PO Box 322 Curtin ACT 2605

T 02 6282 5999
F 02 6282 5933
E info@hardwickes.com.au

www.hardwickes.com.au

Hardwickes
ABN 35 973 938 183

Hardwickes Partners Pty Ltd
ABN 21 008 401 536

Independent Audit Report to the members of St John's Care

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the associaiton's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible persons' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hardwickes

Hardwickes
Chartered Accountants

BBumia

Bhaumik Bumia CA
Partner

Canberra

Date: 19 NOVEMBER 2019

CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND